Electronic Data Interchange

Electronic connections: Exchanging data and health care information efficiently and cost–effectively

Highmark Blue Shield provides you the convenience and cost savings of electronic data interchange (EDI) through:

- Streamlined claims filing.
- Acknowledgement information on your claims that help you track their status.

Saving money, increasing effectiveness through EDI
Everyone has a stake in health care cost containment. Health care professionals, patients, insurance companies and state and federal government are all affected by the high price of maintaining good health.

Fortunately, technology can help simplify business operations and thus, cut costs. EDI makes electronic communications a viable method of streamlining claims processing and eliminating wasted time and money.

EDI is the computer-to-computer delivery of information. This technology is not new. Each time you make an ATM deposit or withdrawal or make a purchase with a bank or department store credit card, an EDI transaction takes place. EDI transactions provide convenience, efficiency and transactional record management.

Because of the inherent speed and cost-effectiveness, electronic transactions and online communications are integral to today's business world. Electronic transactions between health care professionals and insurers are essential to maintain efficiency, and are, in fact, encouraged by the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

Highmark Blue Shield offers electronic services
Highmark Blue Shield supports a variety of ASCX12 electronic transactions.

- 837 – Health Care Claims (Institutional, Professional)
- 835 – Health Care Claim Payment/Advice
- 278 – Health Care Services Review Information (Referral/Authorization Request and Response)
- 277a – Health Care Claim Acknowledgement
- 276/277 – Health Care Claim Status Request/Notification
- 270/271 – Eligibility, Coverage or Benefit Inquiry/Notification
- 997 – Functional Group Acknowledgement

Highmark Blue Shield's Internet Web site, **www.highmarkblueshield.com** provides a broad range of information requested daily by health care professionals and health care software vendors. For more information on HIPAA, refer to the "Hot Topics" section of the Provider Resource Center. Then click on "HIPAA Knowledge Center" for a HIPAA overview, Frequently Asked Questions, resources and links.

Electronic claims submission is faster, more economical than paper
How electronic claims submission works
All it takes is a desk-top PC, the proper software and a dedicated telephone line.

Instead of printing, bundling and sending paper claims through the mail, you simply enter and store claim data in your office computer, through a practice management system. Then, as often as you wish, you dial a toll-free number and transmit the claim information to Highmark Blue Shield.

Electronic claim submission benefits

Electronic claim submission saves your office time and money. Both are precious commodities in today's fast-paced, technologically advanced world. Some benefits of electronic claims submission are:

Faster claim payment

Highmark Blue Shield's claim processing system places a higher priority on claims filed electronically. Electronic claims will typically process in 7 to 14 calendar days, whereas paper claims will process in 21 to 27 calendar days.

These payment targets are in compliance with timely claims payment regulations defined by Act 68 of 1998 (Article II: the Provision For Quality Health Care Accountability and Protection) and reflect processing of claims that do not require manual intervention or investigation.

Cost effective

Electronic claim submission increases staff productivity by speeding claim preparation and delivery. Many of the paper claim processes are eliminated such as form printing, bundling, postage and mailing.

Many errors experienced in the keying and processing of paper claim forms are reduced or eliminated. Electronic claim submission means greater claim acceptance rates and reduced staff time in claim research and resubmissions.

Convenient and confidential

Electronic submission provides the added benefit of both claim preparation and delivery at your convenience. Postal service hours of operation or delays do not limit your productivity. Electronic claims can be submitted 24 hours a day, seven days a week, 365 days a year.

It is safe, immediate and direct to Highmark Blue Shield without any human intervention. EDI security standards are in place to ensure your claim data remains confidential and secure.

Claim record management

Highmark Blue Shield provides electronic acknowledgements, enhancing your ability to track and monitor your claim transactions. These include:

- **997 – Functional Acknowledgement**

   This transaction is available after transmission of the claim file. It verifies that Highmark Blue Shield received your claim file and indicates the file was "accepted" or "rejected" for further claim editing.

- **277a – Claim Acknowledgement**

   After the EDI claim editing process is complete, you are able to verify through the 277a Claim Acknowledgement transaction that your claims were accepted and forwarded for claim processing. The 277a also identifies claims that did not pass or were rejected by the editing process due to data errors. The rejected claim data must be corrected and the claim resubmitted electronically.

   The 277a Claim Acknowledgements should be reviewed after every claim file transmission because they provide valuable, detailed analysis of your claim file.

Health Care Claim Payment Advice (ASC X12 835)

Health Care Claim Payment Advise (835) is essentially an electronic version of a paper Explanation of Benefits notice. When 835 information is combined with an Accounts Receivable System (ARS), it provides an efficient method of reconciling your patients' accounts. Your software vendor can advise you on your system's 835 and ARS capabilities.

It provides financial information relating to claim payment and denial. The 835 will help you reduce costs and improve office efficiency. Its benefits are:

- **Eliminates posting errors**
  Little to no manual intervention, depending on the AR system, is necessary with electronic 835 posting. Errors associated with manual keying of payment data are eliminated.
- **Reduces posting time**
  The 835 information allows you to electronically post payments to your AR system in a matter of minutes or hours instead of days. Actual posting time is dependent on the practice size and AR system. Electronic posting allows your staff more time to attend to patient needs, instead of administrative tasks.
- **Accelerates payment process**
  Electronic posting accelerates your ability to perform secondary billing of non-contractual financial liabilities. 835 information is available online Monday through Friday and can generally be retrieved before the paper EOB arrives in the mail. This means you can start your posting and secondary billing processes upon receipt of the electronic file.

System operation hours

Electronic transactions can be sent and retrieved seven days a week, 24 hours a day. Electronic transactions can be submitted once or multiple times per day or week. You control the claim transmittal and report retrieval schedule that is convenient with your office hours.

Getting started with Electronic Claim Submission
Two EDI options

1. Practice management system vendor – Purchase a complete system from a reputable vendor. Complete system solutions typically include the hardware (personal computer, monitor, modem and printer) and the software, which includes electronic claims submission and possibly accounts receivable posting capabilities. Terms and conditions of each system vary from vendor to vendor.

2. Billing service – Health care professionals can outsource their electronic claim submission to private billing services. Terms and conditions vary from billing service to billing service.

Selecting a Practice Management Vendor

Making the transition from the traditional, slow world of paper to electronic claims can be daunting. However, by choosing the right EDI vendor or billing service, you will have professional help toward your goal of a more streamlined and efficient office.

There are numerous things to consider when selecting an EDI vendor. List your needs, determine your budget and talk to others in your specialty who are using EDI.

The following suggestions should be considered when selecting a practice management vendor:

- Do they charge extra for electronic claim capabilities? Is the transmission direct, or through an intermediary such as a clearinghouse?
- Do they offer electronic claims submission of Highmark Blue Shield claims? Is this capability offered with the basic electronic claims submission module at no additional charge?
- Does the software capture and print the electronic reports provided by Highmark Blue Shield?
- Are the insurance companies to whom you submit part of the electronic package, and at what cost?
- Do they offer clearinghouse capabilities?

- How is installation and training conducted?
- Ask about training on the software and is there on-going education provided. Is system help available (online or through paper manuals)?
- How much additional office software is included (word processing, e-mail)?
- Do they offer Internet access?
- Can you get a list of their clients in your specialty? Call the vendor and ask about their software, hardware and support. Do they offer toll-free support? What is the average turnaround time for a service call?
- What is the cost of the system? What features are standard with the system?
- When there are changes in Highmark Blue Shield reporting requirements, how long will it take to update your software and how is it updated? What is the cost of normal updates, customization requests and annual maintenance fees?
- What hardware is included (PC configurations, modems, terminals)?
- Are you getting color monitors or black and white?
- Is the workstation a "dumb terminal" or a PC?
- Will the system automatically bill for copay after the insurance pays you?
- What other services do they offer (free conversion, loaner hardware)?
- Do they provide remittance advice information? Is there a fee for this package?
- What computer operating systems do they support?

Additional questions for a billing service:
- How frequently do they submit your claims to the carriers involved?
- What kind of tracking reports do they offer to their clients?
- Do they provide credit and collection services?

Enrolling for Electronic Claim Submission

Whether you select a practice management system or a billing service, the next step is to enroll as an EDI Trading Partner.

How to enroll

Enroll online from our website at **www.highmarkblueshield.com**. From the Provider Resource Center, select EDI Sign-Up.

Upon receiving your completed application, EDI Operations will process your request, verify that you have a valid Highmark Blue Shield billing provider number and assign you a Trading Partner ID.

Within 5 to 10 business days you should receive an authorization letter in the mail listing your assigned electronic Trading Partner number, login identification and toll-free transmission telephone number.

Testing

Although testing is not required, we strongly recommend that new electronic billers transmit test claims before submitting production electronic claims. If you decide to test, a test file with a minimum of 10 test claims is recommended.

Where to find support

The Highmark EDI Operations support staff is comprised of trained personnel dedicated to supporting electronic communications. They provide information and assistance with questions or problems you encounter with any aspect of your EDI transactions.

Support is free and staff is available Monday through Friday from 8 a.m. to 5 p.m. EST. To reach the Highmark EDI Operations support staff through the Internet, send an e-mail to **edisupport@highmark.com.** To contact a support analyst by phone, call 1-800-992-0246. To save time when calling, be prepared to provide your Trading Partner number, provider number and log-on identification to the support analyst.

For current electronic billers

Changes in your office

As an electronic biller, you will need to notify Highmark EDI Operations of some changes that take place at your office.

- **Address changes**
  You must report address changes for your provider number to Provider Data Services (to update your provider number, address). Send your updates to:

  - Provider Data Services
    PO Box 898842
    Camp Hill, PA 17089-8842
    Fax: 1-866-731-2896

  You must also notify Highmark EDI Operations by completing the online EDI Trading Partner Update form. This form can be found at www.highmarkblueshield.com, in the EDI Sign-Up section of the Provider Resource Center.

- **Changes in physician staff**
  Please complete the EDI Trading Partner Update form if you need to add a new provider to your Trading Partner number (but only if the new provider will receive checks directly from Highmark Blue Shield).